NOVEMBER 11, 1985

CableVision

THE NEWS AND FEATURES WEEKLY OF THE CABLE TELEVISION INDUSTRY

GROUP W BIDDERS RETHINKING BIDS

PAY SLIDE APPEARS TO HAVE HALTED

FCC MAY LINK COMPULSORY LICENSE TO OFF-AIR SIGNAL CARRIAGE

PLAYBOOK FIRMS UP THREE-DAY SCHEDULE PLANS

CABLE SYSTEM AD SALES: MSO STAGES SET FOR BIG PUSH

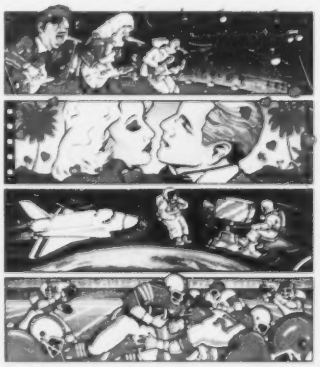
CV 000206448 01
ACQUISITIONS EDITOR
CONGRESSIONAL INFO SVC
4520 EAST WEST HIGHWAY
BETHESDA MD
20814

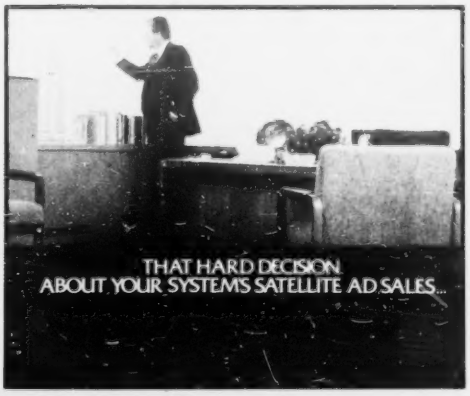
TARGETED
CableReady
AUDIENCES
METROVISION

HOUSTON
CABLE ADVERTISING INTERCONNECT

Cable AdNet
AMERICAS INTERCONNECT
SALES & MANAGEMENT COMPANY

CABLENET





HARRON
cable
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WARNER AMEX
CABLE TARGETING

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LEADING THE WEEK

Group W 11
The bidding process in the sale of Group W Cable is bogging down and so are the prices offered as Westinghouse hurries to sell its giant cable division.

Pay penetration 11
While most major pay services are experiencing steady growth, a recent analysis shows that HBO and Showtime have had only a slight upturn in sub counts after a poor showing at the top of the year.

Viacom, Turner talk 12
Discussions with Turner Broadcasting cited in an SEC filing by Viacom International shows that Viacom may own 50 percent of the MGM studio and 25 percent of the studio's distribution network if the talks now under way are successful.

FCC rulemaking 13
The Federal Communications Commission is expected to begin a formal inquiry rulemaking proceeding into the must-carry question in light of the Quincy decision, during which the commission will seek comment on three petitions filed by broadcasting interests.

Under new management 14
Hoping to improve its financial performance, Playboy Video Corp., which registered back-to-back quarterly losses totalling $3.5 million, has announced several high-level management changes.

Getting closer 15
The industry moved closer to scrambling last week as Showtime The Movie Channel announced its timetable for scrambling using M/A-COM technology, and ESPN surveyed affiliate commitment to purchasing descramblers.

Agreement reached 16
The Tribune Co. has reached agreement for the sale of one-quarter of its cable division, valued at $50 million, to Tribune Cable President Doug Dittrick.

'Explorer' moves to WTBS 19
National Geographic's *Explorer* weekly cable program will move to WTBS Feb. 2, 1986 after airing on Nickelodeon since April 7.

ESPN closes ad deal 20
Anheuser-Busch has extended another five years its multi-million dollar advertising pact with ESPN which serves more than 37 million homes.

American eyes CommuniCom 20
The Mass. based American Cablesystems Corp. is considering purchasing the largest franchise holder in the City of Los Angeles, CommuniCom, which is currently struggling through Chapter 11 reorganization.

VCR campaign 20
Looking to retain pay subscribers, Tele-Communications Inc. has ordered 24,000 Scientific-Atlanta and Jerroid VCR interface units as part of a new campaign to promote the compatibility of VCRs and cable.

TOPICS

Review 27
Despite a little blood and violence and a touch of soft porn, Reviewer Robert DiMatteo sees HBO's anthology, *The Hitchhiker*, as a fun, "neat little series."

Business 28
Continental Cablevision has launched a $325-million capital restructuring program that will include the repurchase of 6.5 million of the company's 12.7 million shares of stock increasing management's ownership from 24 percent to 43 percent. Also in Business, Cablevision Co., is planning to offer securities to the public and switch from a limited partnership to a corporation.

Forum 35
Mark Palchick of Kenkel, Barnard & Edmundson gives a rundown of the Federal Communications Commission's revision of its rules regulating cable system usage of the aeronautical frequencies.

Departments

Stock Market 32
People 41
Events 42
New Products 45
Classifieds 46
Advertisers' Index 47
Cable Stats 48
Parting Words 50

Cover Story 36
With more and more advertisers becoming aware of the benefits of local spots, cable ad sales has developed into a sophisticated business. While total industry revenues from subscription sales of 1985 are expected to reach $8.7 billion, local advertising sales will contribute $129 million more—clearly frosting on the cake.

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985E	86,000,000	64,500,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH) 84,233,330

Homes passed by cable (HP) 58,274,000

Percent of TVHH passed by cable 69.2%

Basic cable subs 32,761,000

Percent of TVHH with basic cable 38.9%

Percent of HP with basic cable 56.2%

Pay cable subs 19,624,000

Percent of TVHH with pay cable.....23.3%

Percent of HP with pay cable.....33.7%

Percent of basic subs with pay cable 59.9%

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Satellite lineup

Satcom III-R (RCA Americom) — **Transponder**

Arts & Entertainment 24
BET 20
CBN Cable Network 8
Cinemax (West) 23
C-SPAN 19
ESPN (Blackout) 7
Eternal Word Television Network 12
Financial News Network 4
Genesis Storytime 8
HBO (West) 13
HTN 16
Home Shopping Network 22
The Learning Channel 16
Lifetime 17
MSN—The Information Channel 22
MTV 11
National Jewish Television 18
Nickelodeon 1
PTL 2
Reuter Monitor Service 18
Seeburg Lifestyle Music 3
Showtime (West) 10
SPN 6
Studioline 19
TV Decisions 24
The Learning Channel 16
Trinity Broadcasting Network 3
USA Cable Network 9
(during blackout) 22
Video Hits One 15
The Weather Channel 21

Satcom IV (RCA Americom) — **Transponder**

American Movie Classics 10
Bizner 6
Bravo 2
Commerce Satellite Network 3
Home Sports Entertainment 1
Madison Square Garden 6
National Christian Network 7
New England Sports Network 13
Nickelodeon (West) 4
Nostalgia Channel 21
Odyssey 23
The Playboy Channel 12
The Silent Network 16
SportsVision 9
WPIX—New York 19

Westar III (Western Union) — **Transponder**

CNN 5

Westar IV (Western Union) — **Transponder**

Atlantic City Horse Racing 6
Cable News Network (CNN) 16
Catholic Telecommunications Network of America 11
Public Broadcasting Service 15, 17, 21, 23
Texas State Network 2
Word of Faith Satellite Network 9

Westar V (Western Union) — **Transponder**

Fantasy Unrestricted Network (FUN) 24
FUN Weekend Pay-per-view 24
The Meadows Racing Network 22
Pro-Am Sports System (PASS) 14
The University Network 2

Galaxy I (Hughes) — **Transponder**

CBN Cable Network 13
Cinemax (East) 19
CNN 7
CNN Headline News 8
C-SPAN 14
The Discovery Channel 22
The Disney Channel (East) 4
(West) 23
EPG 3
ESPN 9
GalaVision 20
HBO (East) 23
Home Team Sports 12
Keyfax National Teletext Magazine 18
Moody Broadcasting Network 5
The Movie Channel (East) 10
(West) 14
The Nashville Network 2
PTL 17
Showtime (East) 5
SIN 6
Studioline 13
WGN 4
WOR-TV 15
WTBS 18

Spacenet I (GTE) — **Transponder**

ACTS 15

Aurora F5 (Alascom) — **Transponder**

Alaska Satellite Television Project 24
Learn Alaska Television Network 20
NASA Contract Channel 13

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	3,660,918	(3/85)
2.	American Television and Communications Corp.	2,500,000	(12/84)
3.	Group W Cable	2,055,000	(7/85)
4.	Storer Cable Communications	1,498,000	(7/85)
5.	Cox Cable Communications	1,475,647	(7/85)
6.	Warner Amex Cable Communications Inc.	1,329,850	(10/84)
7.	Continental Cablevision	1,064,000	(6/85)
8.	Times Mirror Cable Television Inc.	996,606	(6/85)
9.	Newhouse Broadcasting	927,000	(7/85)
10.	United Cable Television	863,000	(6/85)
11.	Viacom Cablevision	800,000	(7/85)
12.	UA Cablesystems Corp.	733,000	(7/85)
13.	Sammons Communications Inc.	665,000	(7/85)
14.	Cablevision Co.	589,182	(7/85)
15.	Rogers Cablesystems Inc.	580,569	(6/85)
16.	Heritage Communications Inc.	565,340	(10/84)
17.	Jones Intercable Inc.	550,170	(6/85)
18.	Comcast Cable Communications	505,700	(11/84)
19.	Telecable Corp.	445,365	(7/85)
20.	McCaw Communications	382,000	(7/85)
21.	Capital Cities Cable Inc.	375,838	(7/85)
22.	Prime Cable Corp.	361,226	(7/85)
23.	Wometco Cable TV Inc.	308,427	(7/85)
24.	Centel Cable Television Company	303,518	(7/85)
25.	Daniels & Associates	296,650	(7/85)
26.	NewChannels Corp.	290,281	(5/85)
27.	TCA Group	273,189	(7/85)
28.	Cablevision Industries	269,741	(6/85)
29.	Multimedia Cablevision Inc.	268,963	(7/85)
30.	American Cablesystems Corp.	263,780	(6/85)
31.	Maclean Hunter Cable TV Ltd.	247,407	(7/85)
32.	Falcon Cable TV	243,000	(6/85)
33.	Scripps Howard	234,411	(6/85)
34.	TeleScripps	220,065	(7/85)
35.	Tribune Cable Communications	219,121	(7/85)
36.	Colony Communications Inc.	216,420	(7/85)
37.	Adelphia Communications	198,205	(7/85)
38.	Rollins Cableview Inc.	197,000	(7/84)
39.	Centurs Communications Corp.	192,023	(8/84)
40.	Service Electric Cable TV Inc.	189,500	(12/84)
41.	Communications Service Inc.	179,000	(2/85)
42.	TKR Cable Co.	169,000	(7/85)
43.	Cablecrtainment	166,309	(7/85)
44.	TCI Tab	163,096	(6/85)
45.	Sutton Capital Group	160,248	(7/85)
46.	Bilkin & Associates	160,000	(7/85)
47.	Western Communications	153,564	(5/85)
48.	Adams-Russell Communications	145,392	(7/85)
49.	Harte-Hanks Communications	140,569	(4/85)
50.	Harron Communications	132,644	(7/85)
51.	Buckeye Cablevision	125,955	(7/85)
52.	Harris Cable Corp.	119,500	(7/85)
53.	Midwest Video Corp.	118,102	(12/84)
54.	Lenfest Group	114,932	(7/85)
55.	Greater Media Cable	113,401	(7/85)
56.	Televents Inc.	112,500	(7/85)
57.	Armstrong Utilities	112,291	(7/85)
58.	Summit Communications	102,039	(7/85)
59.	U.S. Cable Corp.	98,000	(7/85)
60.	Cencom Cable Associates Inc.	95,240	(8/85)
61.	Communications Systems Inc.	94,655	(4/84)
62.	Multi-Channel TV Cable Inc.	94,250	(7/85)
63.	McDonald Group	90,079	(8/84)
64.	Simmons Communications	88,082	(10/85)
65.	King Videocable Co.	87,594	(9/85)
66.	The Essex Group	85,000	(7/85)
67.	Booth Communications	82,482	(8/85)
68.	McClatchy Newspapers	81,783	(7/85)
69.	Media General Corp.	81,429	(7/85)
70.	WEHCO Video Inc.	80,692	(7/85)
71.	Marcus Communications	80,604	(9/85)
72.	Palmer Communications	80,449	(7/85)
73.	Perry Cable TV Corp.	80,146	(7/85)
74.	Cable Management Associates	77,981	(7/85)
75.	Sonic Communications	74,316	(4/85)
76.	Omega Communications	74,213	(6/85)
77.	Midcontinent Cable Systems Co.	73,215	(8/85)
78.	Susquehanna Broadcasting	70,528	(7/85)
79.	Pencor Services Inc.	69,111	(6/85)
80.	Clear TV Cable Associates Ltd.	59,488	(4/85)
81.	Omni Cable TV Corp.	58,468	(8/85)
82.	Selkirk Communications	58,150	(7/85)
83.	Marsh Media	57,698	(7/85)
84.	Helicon Corp.	55,000	(7/85)
85.	Northland Communications Corp.	53,500	(7/85)
86.	The Daily Press	53,000	(3/85)
87.	Masada Corp.	51,900	(7/85)
88.	National Telecommunications Corp.	51,300	(12/84)
89.	Acton Corp.	51,268	(7/85)
90.	United Video Management	50,803	(7/85)
91.	First Carolina Communications Inc.	49,329	(7/85)
92.	Communicom	47,694	(1/85)
93.	Wisconsin Cablevision and Radio Co. Inc.	47,444	(1/85)
94.	Tele-Media	44,506	(7/85)
95.	Bresnan Communications	44,476	(7/85)
96.	Joseph Gans Cable T.V.	43,858	(10/5)
97.	State Cable TV	43,640	(8/85)
98.	Chamber Communications Corporation	43,366	(7/85)
99.	Donrey Cablevision	41,792	(8/85)
100.	Cable Holdings Inc.	40,200	(4/85)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208 T.A., Denver, CO 80217.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	259,280	(7/85)
2.	Woodbury (Long Island), NY	Cablevision Co.	242,034	(7/85)
3.	Manhattan, NY	ATC	206,900	(12/84)
4.	Florida Division (Orlando/Ormond Beach)	ATC	193,700	(12/84)
5.	San Antonio, TX	Rogers Cablesystems	190,020	(6/85)
6.	Houston, TX	Warner Amex	189,000	(7/85)
7.	East Orange, NJ	Mack/Cen Hunter	174,915	(6/85)
8.	Honolulu, HI	ATC	156,400	(12/84)
9.	Phoenix, AZ	Times Mirror	142,000	(7/85)
10.	Wayne, NJ	UA Cablesystems	140,000	(7/85)
11.	Cincinnati, OH	Warner Amex	137,000	(6/85)
12.	Tulsa, OK	United Cable	135,048	(7/85)
13.	Englewood, CO	United Cable	131,105	(7/85)
14.	Audubon, NJ	New York Times	125,537	(4/85)
15.	Tidewater (Norfolk), VA	Cox Cable	118,455	(7/85)
16.	Atlanta, GA	Prime Cable	117,680	(7/85)
17.	Rochester, NY	ATC	117,190	(12/84)
18.	Baltimore County, MD	Comcast Cable	117,000	(7/85)
19.	Erie County, NY	Prime Cable Corp.	115,616	(7/85)
20.	Jacksonville, FL	Continental	110,000	(6/85)
21.	San Jose, CA	Gill Industries	107,200	(6/85)
22.	Memphis, TN	ATC	106,300	(12/84)
23.	Seattle, WA	Group W	104,800	(7/85)
24.	Toledo, OH	Buckeye Cablevision	104,000	(6/85)
25.	Manhattan, NY	Group W Cable	103,400	(7/85)
26.	San Juan, PR	Harris Cable Corp.	102,728	(5/85)
27.	Austin, TX	ATC	102,500	(12/84)
28.	Charlotte, NC	ATC	101,700	(12/84)
29.	Central Islip (Long Island), NY	Viacom	101,211	(6/85)
30.	Jefferson Parish, Kenner, LA	Cox Cable	96,929	(7/85)
31.	San Diego, CA	ATC	92,100	(12/84)
32.	San Francisco, CA	Viacom	90,776	(6/85)
33.	Warren, NJ	TKR Cable	90,400	(7/85)
34.	Dallas, TX	Heritage	90,150	(10/85)
35.	Los Angeles, CA	Falcon Communications	88,137	(2/85)
36.	Wilmington, DE	Rollins Cableview	87,600	(7/85)
37.	Grand Rapids, MI	UA Cablesystems	85,000	(7/85)
38.	Seattle, WA	Viacom	84,900	(4/85)
39.	Jackson, MS	ATC	80,200	(12/84)
40.	Wichita, KS	Multimedia Cablevision	80,158	(7/85)
41.	Pittsburgh, PA	Telecommunications Inc.	79,666	(7/85)
42.	New Orleans, LA	Cox Cable	79,017	(7/85)
43.	Clearwater, FL	Vision Cable	78,600	(7/85)
44.	Broward County, FL	Storer Cable	78,000	(7/85)
45.	Pompano, FL	American Cablesystems	77,500	(6/85)
46.	Boston, MA	Cablevision	75,924	(4/85)
47.	Richmond Henrico, VA	Continental	75,250	(7/85)
48.	Baton Rouge, LA	Daniels & Associates	74,820	(2/85)
49.	South Texas, TX	Heritage Communications	72,908	(7/85)
50.	Flint, MI	Comcast Cable	72,700	(7/85)
51.	Indianapolis, IN	Indianapolis Cablevision	72,496	(4/85)
52.	Tacoma, WA	Cable TV of Puget Sound	72,436	(5/85)
53.	Jefferson County, KY	Storer Communications	71,000	(7/85)
54.	Greensboro, NC	ATC	69,200	(12/84)
55.	South Herud, IN	Heritage Communications	69,015	(7/85)
56.	Cleveland Heights, OH	Viacom	69,000	(4/85)
57.	Santa Monica, CA	Group W	68,200	(7/85)
58.	Fairfax, VA	Media General	67,767	(7/85)
59.	Louisville, KY	Storer	66,914	(7/85)
60.	Omaha, NE	Cox Cable	65,810	(7/85)
61.	Raleigh, NC	ATC	65,800	(12/84)
62.	Nashville, TN	Viacom	65,000	(4/85)
63.	Kansas City, MO	ATC	64,800	(12/84)
64.	Columbus, OH	Warner Amex	64,679	(3/85)
65.	St. Petersburg, FL	Group W	64,200	(7/85)
66.	Buffalo, NY	Telecommunications Inc.	63,898	(8/85)
67.	Akron, OH	Warner Amex	63,500	(7/85)
68.	Boston Complex (Malden), MA	Warner Amex	63,180	(3/85)
69.	Hartford, CT	Times Mirror Cable	62,882	(7/85)
70.	Binghamton, NY	NewChannels Corp.	62,814	(7/85)
71.	Syracuse (suburbs), NY	NewChannels Corp.	62,814	(7/85)
72.	Oklahoma City, OK	Cox Cable	62,751	(7/85)
73.	Fayetteville, NC	ATC	62,100	(12/84)
74.	Allentown, PA	Service Electric	62,000	(7/85)
75.	Las Vegas, NV	Times Mirror Cable	61,892	(7/85)
76.	El Paso, TX	Group W	61,700	(7/85)
77.	Monterey, CA	Western Communications	61,347	(7/85)
78.	Madison, WI	Telecommunications Inc.	61,257	(4/85)
79.	New Haven, CT	Storer Cable	60,000	(7/85)
80.	West Palm Beach, FL	Group W	60,000	(7/85)
81.	Mt. Prospect, IL	Cablenet	60,000	(3/85)
82.	Sarasota, FL	Storer Cable	59,967	(7/85)
83.	Santa Barbara, CA	Cox Cable	59,932	(7/85)
84.	Des Moines, IA	Heritage Communications	59,489	(7/85)
85.	Birmingham, AL	ATC	59,400	(12/84)
86.	Albany, GA	Storer Cable	59,000	(7/85)
87.	Snohomish County, WA	Viacom	59,000	(4/85)
88.	Ft. Worth, TX	Sammons Communications	58,000	(7/85)
89.	Harrisburg, PA	Sammons Communications	58,000	(7/85)
90.	New Britian, CT	United Cable	58,282	(12/84)
91.	Bridgeport, CT	Cablevision Co. Scripps Howard	57,886	(7/85)
92.	Indianapolis, IN	ATC	57,100	(12/84)
93.	Chicago Suburbs (Oak Park), IL	Cablevision Co.	56,790	(7/85)
94.	Albuquerque, NM	Tribune Cable	56,705	(7/85)
95.	Stamford (Fairfield), CT	Cablevision Co.	56,364	(7/85)
96.	Westchester County (New Rochelle), NY	UA Cablesystems	56,000	(7/85)
97.	Chatsworth, CA	Valley Cable	55,994	(5/85)
98.	Winston-Salem, NC	Summit Communications	55,781	(7/85)
99.	Escondido San Diego County, CA	Times Mirror Cable	55,715	(7/85)
100.	Shreveport, LA	ATC	55,500	(12/84)